

Copper Tube Market Information - 11/30/10

Plumbing Tube Comments:

Copper edged higher this morning during overnight trading where prices dipped almost 1% and then recovered, chasing the swings in Chinese equity markets. The international investor inclination is to be cautious as the dollar has potential to move higher. Some metals have cracked, such as lead, but others (copper and gold) are holding up well, based on underlying fundamentals. The elephant in the room is whether China will raise their interest rates by year end.

The euro paused near 10-week lows overnight Tuesday but few traders think the worst is over for the single currency after a rescue package for Ireland failed to dampen speculation that other bailouts will be needed in the euro zone. Additional pressure to the euro could strengthen the dollar which typically brings the cost of copper down, but this has yet to take place. Although there is speculation of lower copper prices to come, the price of this precious metal remains high and the market firm.

Cerro Flow Products will continue to price orders from our November 8, 2010 price sheet.

